

## Message Text

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47

ACTION AID-59

INFO OCT-01 AF-08 ISO-00 EB-07 IGA-02 L-03 OMB-01 TRSE-00

XMB-02 FRB-03 SSO-00 /086 W  
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O 111055Z SEP 76

FM AMEMBASSY MAPUTO

TO SECSTATE WASHDC IMMEDIATE 5003

C O N F I D E N T I A L MAPUTO 1035

E.O. 11652: GDS

TAGS:

SUBJECT: GRANT AGREEMENT WITH GPRM

REF: STATE 224777

1. EMBASSY DOES NOT BELIEVE GPRM WILL HAVE PROBLEMS WITH REFTEL TEXT OF GRANT AGREEMENT. POSSIBLE TERMS OF A GRANT AGREEMENT WERE DISCUSSED IN DETAIL WITH GPRM OFFICIALS DURING VISIT USAID OFFICER BOB HUESMANN IN MAY. TERMS IN REFTEL PARALLEL THE "POSSIBLE TERMS" DISCUSSED IN MAY. SENIOR GPRM OFFICIALS HAD NO PROBLEM WITH THE MAY TERMS, AND WERE PREPARED TO INITIAL A MEMORANDUM OF UNDERSTANDING TO THAT EFFECT.

2. EMBASSY WOULD APPRECIATE CLARIFICATION ON SECTION 7 B OF DRAFT TEXT CONCERNING PROCEDURE BY WHICH USG AGREES TO EXPENDITURE OF FUNDS FROM THE SPECIAL ACCOUNT. DURING DISCUSSIONS IN MAY, GPRM OFFICIALS HAD AGREED THAT (QUOTING FROM DRAFT MEMORANDUM OF UNDERSTANDING) PRIOR TO THE INITIAL DISBURSEMENT FOR EACH PROJECT TO BE FINANCED FROM THE SPECIAL ACCOUNT, THE GPRM WOULD SEEK WRITTEN CONCURRENCE FROM THE EMBASSY THAT SUCH PROJECT FALLS WITHIN THE GUIDELINES AGREED UPON. AS BASIS FOR SEEKING CONCURRENCE, THE GPRM WOULD PROVIDE SUFFICIENT DATA REGARDING EACH PROJECT TO ENABLE THE EMBASSY TO MAKE A REASONABLE JUDGMENT. THE EMBASSY WOULD NOT SEEK, UNLESS IT WAS MUTUALLY AGREED, TO MAKE DETAILED EXAMINATION OF PROJECT DOSSIERS, ETC. (END QUOTE FROM DRAFT MEMO OF UNDERSTANDING).

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3. DOES ABOVE PROCEDURE FOR ENSURING USG APPROVAL OF PROJECTS

SATISFY USAID REQUIREMENTS? IF SO, EMBASSY RECOMMENDS WE OBTAIN GPRM ACCEPTANCE OF THIS PROCEDURE (MODIFIED AS USAID MAY REQUIRE) IN WRITING, AT THE TIME OF THE SIGNING OF THE GRANT AGREEMENT. BELIEVE THIS CAN BE DONE IN EXCHANGE OF LETTERS OF UNDERSTANDING, AS EMBASSY IS DOING WITH OUR EMERGENCY FOOD AID AGREEMENT (STATE 149105 AND MAPUTO 1027) UNLESS USAID PREFERS HAVE PROCEDURE SPELLED OUT IN GRANT AGREEMENT ITSELF.

4. MOST SERIOUS PROBLEM WE MAY HAVE WITH GRANT AGREEMENT MAY BE TO GET GPRM TO MOVE QUICKLY TO SIGN AGREEMENT PRIOR TO SEPTEMBER 30. EMBASSY ESTIMATES THAT WE WILL NEED A MINIMUM OF A WEEK TO ARRANGE FOR SIGNING, AND PREFERRABLY MORE SINCE PRESIDENT MACHEL AND FRELIMO CENTRAL COMMITTEE WILL PROBABLY WANT TO REVIEW AGREEMENT PRIOR TO SIGNING.  
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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AGREEMENT DRAFT, GOVERNMENT GRANTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 11 SEP 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ShawDG  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Previous Handling Restrictions:** n/a  
**Reference:** 76 STATE 224777  
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**Review Authority:** ShawDG  
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**Review Date:** 29 JUN 2004  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** GRANT AGREEMENT WITH GPRM  
**TAGS:** EFIN, EAID, MZ, US  
**To:** STATE  
**Type:** TE  
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